

Obama's Elitism, Republican Principled Ignorance and the Debt Ceiling Debate

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Posted: 7/25/11 10:42 AM ET

During the 2008 presidential campaign opponents of then candidate Barack Obama, both in the primary and the general election, attacked him for being an elitist. Apparently, despite his modest roots, Obama was viewed by some as an elitist largely because he studied hard in school and managed to graduate from Columbia University, earn a law degree from Harvard University and work briefly as a professor of law at the University of Chicago. There is a deep strain of anti-intellectualism in American politics, as in many countries, so candidates with degrees from elite universities, particularly if those candidates speak well and demonstrate a capability for complex thought can expect to be attacked in this way.

Although many come from more privileged backgrounds than the president, the Republicans in the House of Representatives, on the other hand, cannot be accused of being elitists. On the contrary, they are contemptuous of formal education and wear their ignorance of the world and the economy as almost badge of honor. The contrast between the House Republican outlook and that of the president is extreme and playing itself out over the debt ceiling negotiations in a dire manner. Where President Obama, based on his negotiating strategy, sees a troubled but complex economy and recognizes the reality that failing to extend the debt ceiling would be a devastating mistake, the House Republicans see another opportunity to bang the anti-tax drum while continuing to live in an economic fantasy world where they can cut taxes and balance the budget either by magic or, failing that, by eviscerating what is left of the American economy and social fabric.

There are many reasons why the debt ceiling negotiations are difficult: the Republicans are used to winning in negotiations with Obama; both sides are going to have to concede something; the issue is extremely important and the Republicans are probably aware that they are in danger of losing their once promising political position heading into 2012 if they mishandle this situation. For the White House, the negotiations are frustrating because they highlight the difference between the president's ability to understand nuance, the complexity of a modern state and economy and the seriousness of stakes and the devolution of the Republican Party into a band of politicians sworn to fall on the sword of no taxes, and not concerned about whether or not they bring the whole country with them. At some point, maybe even in one of those elite universities, our elitist president learned the basics of how economies work and how compromise has to be reached. The Republicans in the House never got this and are therefore now almost incapable of engaging in a mature and serious dialog about the debt ceiling.

If the debt ceiling is not raised, the economic consequences for the U.S., and possibly the global economic system, will be severe and not easily ameliorated. The result will not simply be, as some Republicans, [including presidential aspirants](#), suggest, that the U.S. will have learned some kind of lesson about fiscal responsibility, or that spending will simply be reduced. Instead, should the U.S. not increase its debt ceiling the country will likely face higher interest rates, another spike in joblessness, inability to pay basic expenses and other serious consequences, and, almost inevitably, higher taxes in the not too distant future.

Faced with this reality, Speaker of the House John Boehner is either unable to put enough Republican votes together in the House to pass a compromise that would still, on substance, be a victory for his party, or, along with the most extremist elements in his party, he also believes that a compromise which includes any increased revenue is so bad that it must be avoided even if doing so means doing serious damage to the national and global economy. Accordingly, Boehner has continued to cite the "Cut, Cap and Balance" legislation passed by the House last week but unlikely to go any further as evidence that it is the White House, not the Republicans that is being inflexible.

"Cut, Cap and Balance," seems like a potpourri of favorite Republican economic tricks including massive spending cuts, no new taxes and the initiation of a process calling for a balanced budget amendment. The legislation may be a respectable Republican starting point for the negotiation around the debt ceiling, albeit [one that would probably devastate the economy](#), but Boehner and his supporters have implied that they will not negotiate any further.

Thus, we have a president who believes, perhaps too much, in the value of compromise, often it seems simply for its own sake, a Republican majority in the House who seem to believe that compromise is always wrong, even if it is a compromise that is heavily weighted in their favor, and an economy that may very well collapse because of this.